## Kennecott Seeks OK to Augment **Oquirrh Gold-Mining Operations**

By Mike Gorrell THE SALT LAKE TRIBUNE

Kennecott wants to expand its gold-mining operation in the Oquirrh Mountains.

To do so, it must receive state approval to modify regulations governing reclamation of the open-pit mines and the waste material removed from them.

Kennecott contends its reclamation plan will degrade less land while expanding the life of the mines for several years, creating 40 new jobs and injecting millions of dollars into Utah's economy.

The company's requests for variances have been challenged by a Sierra Club member and an environmental official for western plumbers' and pipefitters' unions. They contend variances will increase prospects of mining damaging the environment.

Positions were argued Wednesday before the Utah Board of Oil, Gas and Mining, which oversees mine-reclamation projects. A decision is expected today.

"Kennecott will do the best job it can to reclaim those slopes and leave the area completely compatible with its pre-mining use as wildlife habitat," said David Tundermann, a Salt Lake City attorney representing the company.

Approval of the request, countered Sierra Club member Scott Endicott, "sets up a situation where, if there is ore, it will be mined regardless of the irreparable environmental damage."

Kennecott extracts 100,000 ounces of gold a year from the Barney Canyon gold mine's two pits, which are north of the company's Bingham Canyon copper mine. The operation injects \$18 million a year into Utah's economy through salaries of 140 employees, taxes and royalties, and purchases of equipment and services from 300 Utah companies, said manager David Hodson.

Gold deposits have been located between the two pits. If they can be mined, Mr. Hodson said, Kennecott will hire 40 more employees, increase its annual contributions to the economy to \$21 million and will spend an additional \$10 million on equipment.

But expansion is feasible only if the company receives the state board's approval to exceed state regulations governing steepness of the angle of excavation in the pit, and of the pile of discarded waste rock and soil.

Otherwise, Mr. Hodson said, the extra work required to meet the standard will cost an additional \$7.5 million, which is "big enough to seriously jeopardize the economics of the project and stop mining in 1994.

## **Trade Winds**

J. Douglas Whisenant is the new senior vice president and general manager of Northwest Pipeline Corp., Salt Lake City. Tim Hausler is vice president, finance and administration. Matt J. Gillis is promoted to vice president, marketing.

Natalie Hopkins is a new commercial-loan officer at the Midvalley Commercial Banking Center of Zions First National Bank, Salt Lake City. Glenna R. Collins is operations officer in the private-banking department at the Park City office. Marsha Wood is the new manager at the bank's Alta View banking center. Cyndi Hatch is control officer in the small-business and entrepreneurial department of Zions.

Mirek T. Sochanski, M.D., has joined the Heart Center of Salt Lake as a cardiologist.

John Heinerman, an author of health and nutrition books, is the new editor of Utah Senior Prime Times newspaper, Salt Lake City.

Bob E. Cooper is the new chief operations officer at Salt Lake City-based Kennecott Corp.

Benjamin D. Wolfley is the new chief financial officer at Cannon





Mr. Gillis

Industries Inc., Salt La business development

Donald F. Lilquist Lake City law firm of Bagley, Cornwall & Kay D. Bateman of the City law firm of Suitte Armstrong & Henson; E Salt Lake City, and M Jenkins of Provo have c the two-day Certified Le tant examination admin

## Other Airlines Vow to Match Continental's Post-Holiday Cuts in Air Fares

THE ASSOCIATED PRESS

HOUSTON - Continental Airlines instigated a new round of fare cutting Wednesday, discounting some post-holiday fares by up to 35% to attract more business during the normally slow period for the industry.

The new sale fares are available to most U.S. destinations during the early winter vacation period.

The Houston carrier also said it will allow a free travel-date change with sale tickets as long as

its made at least seven days before travel begins.

American and United said they would match Continental's move. Other airlines didn't disclose their intentions immediately.

Sale tickets must be bought by Dec. 11 for travel between Jan. 5 and Feb. 14. The maximum 35% reduction is available only for mid-week travel, while weekend fares will be reduced up to 25%.

For example, a round-trip

flight from Miami to Aspen, a Colorado ski resort, would cost \$318, compared to \$450 - a 29% reduction. A round-trip from Denver to New Orleans would cost \$238, a 34% reduction from the regular fare of \$360.

Continental's fare discounting was the latest move in an increasingly confused fare picture. Earlier this week, a number of big airlines hiked all air fares \$10 to \$30 for travel beginning Dec. 9.



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nounce painful cutbacks in its st year, one week before Christoany announced plans to elimiand 74,000 jobs by 1995.

an early retirement package in an effort to ease the job-loss pain.

Along with also announce a reorganization of its Cadil-

Trenton, N.J.; Livonia, Mich.; and Sioux City, Iowa, affec a total of more than 6,000 employees.

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OCIATED PRESS

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ty of nonfarm workd as their output per —grew at a healthy lly adjusted annual the July-September Labor Department

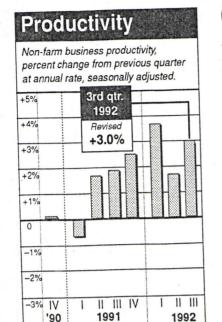
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ficiency-minded comains have slowed to a



crawl. And despite six consecutive quarters of economic growth, the nation's unemployment rate has only recently begun to improve. Unemployment stood at 7.4% in October, down from an eight-year high of 7.8% in June.

Source: U.S. Dept. of Labor

"Business is being very cautious in its hiring and until recently has been very aggressive in its firing," said economist Robert Dederick of Northern Trust Co. in Chicago.

Unlike in past recessions, the firings have hit middle managers this time as companies have slimmed down to compete in the ever more important export market.

# Gold in Them Thar Oquirrhs? AND Kennecott Expansion Gets OK

By Mike Gorrell THE SALT LAKE TRIBUNE

Kennecott received variances Thursday that will permit expansion of its gold-mining operation in the Oquirrh Mountains.

The Utah Board of Oil, Gas and Mining approved the company's request to exceed regulations governing the steepness of slopes in its mine pits and waste dumps.

Kennecott said the variances were needed to make it economically feasible to expand its Barneys Canyon gold mine, which is north of its more-famous Bingham Canyon copper mine.

"It's an extremely positive ruling," said Kennecott spokesman Greg Boyce. "Barneys Canyon always had a limited life of seven to eight years. This [approval] will add a year or two to its life, continue the jobs there and provide some economic benefits to the company as well as taxes to the state and Salt Lake County."

Mine manager David Hodson told the Board of Oil, Gas and Mining on Wednesday that an expanded operation could increase employment from 140 to 180, boost the company's tax and royalty payments by \$3 million annually and spur another \$10 million in capital investments.

Mr. Hodson said new gold deposits have been located between two open pits currently in use.

For those deposits to be mined, the company needed a variance of an environmental regulation that will allow walls of the pit to be steeper than the law allows. It also required an allowance to deposit waste rock and soil in piles with steep slopes that exceeded legal limits, and a waiver of a rule that required 70% of the pile to be revegetated.

" "legal"

5 limit?

The modifications would result in 20 fewer acres being disturbed, Mr. Hodson said, and the waste pile would be replanted enough to return the area to a stable ecological condition adequate for its premining use as wildlife habitat.

Sierra Club member Scott Endicott challenged Kennecott's request, contending the variances would cause "irreparable environmental damage" and indicate to the mining industry that it can mine anywhere regardless of the consequences and receive the state's endorsement.

"I'm not surprised about the decision," Mr. Endicott said Thursday. "Kennecott is a big company with lots of lawyers arguing they're going to lose money if the variances weren't granted. I'm afraid that economics drives that [Oil, Gas and Mining] division and board quite a bit."

He said the Sierra Club wants complete reclamation of mine sites.

# ees Billing Utah Firms for Improper Shipping Discounts Given by P.I.E.

Robert Bryson ALT LAKE TRIBUNE

ah businesses are findre is no such thing as a even cheap — ride.

atcy trustees for Flori-Pacific Intermountain dropping hundreds of ng bills each day in the ah companies.

s are for money the aim is owed on old acfive years or more in s. P.I.E. gave shippers a on shipments and the ow want the difference. paid a discounted rate

rly filed as a tariff with state Commerce Comyou may still be legally pay the nondiscounted xplained Rick Culpep-Lake Area Business Alli-

One Utah shipper acknowledges receiving a bill.

"The trustee demanded we pay \$6,000 for shipments we made several years ago, said Ross Alger, president and chief executive officer of Design Vinyl, Salt Lake City.

P.I.E.'s rate wasn't rock bottom, he said, but it was competitive. The firm manufactures vinyl, loose-leaf binders and other products.

"We went back to the trustee and got the bill down to \$2,200. They intimidated the daylights out of us and we reluctantly paid that," Mr. Alger said.

The bills Utah businesses have received have ranged from several hundred to many thousands, said Mr. Culpepper, who has been attempting to coordinate businesses involved with P.I.E.

Salt Lake City-based food distributor Nicholas & Co. got a bill for \$1,200, said Elyce Mouskondis, vice president and co-owner. Negotiations cut that to \$400, which she paid. But the trustees have refused that amount, asking for \$600, Ms. Mouskondis said.

"For \$600 I can get a lawyer in Florida to help stall this," she said. She refuses to pay the \$200 difference.

"It is unfair to ask for payment of a ride taken 10 years ago," said Reed Reeve, executive vice president, Utah Motor Transport Association, Salt Lake City. "These businesses have had nothing to do with P.I.E. other than make a shipment," he said.



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